



FEDERAL ELECTION COMMISSION
Washington, DC 20463

April 17, 2007

Stephanie Astorquia
P.O. Box 445
Boise, ID 83701

Re: ADR 383 (RR 07L-06)
Idaho State Democratic Party and Stephanie Astorquia, Treasurer

Dear Ms. Astorquia:

The Reports Analysis Division of the Federal Election Commission ("FEC" or "Commission") determined that matters arising from its recent review of reports filed by the Idaho State Democratic Party warranted further examination for possible violation of the Federal Election Campaign Act of 1971, as amended. The Commission, thereafter, reviewed the file and voted on April 13, 2007 to assign this matter to the FEC's Alternative Dispute Resolution Office ("ADRO") for processing.

The FEC established the ADR Program to provide an informal means for resolving matters that come before the Commission and to facilitate negotiations directly with Idaho State Democratic Party and Stephanie Astorquia, Treasurer ("Respondents" or the "Committee"). The ADR Program provides Respondents with an opportunity to negotiate, and if necessary, mediate settlement of a matter that is mutually agreeable. The negotiations occur prior to any Commission consideration of whether there is reason to believe a violation has occurred. If negotiations and/or mediation are successful, the resulting settlement would conclude the matter.

The Commission, in referring the matter to the ADR office, determined that the case is eligible for processing in the ADR program. If Respondents decide to participate in the Program, i.e., negotiation and/or mediation, you must: 1) indicate in writing a willingness to have your case submitted to the ADR process; 2) agree to participate in the bilateral negotiations and if necessary, mediation; and 3) waive the statute of limitations while the matter is being processed under the FEC's ADR program.

The issues referred to the ADRO, and the focus of our subsequent negotiations are summarized as follows:

Summary: Treasurers of political committees are required to report all financial activity, including receipts. If party committees, other than national party committees, finance political activity in connection with both federal and non-federal elections, they may

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establish separate federal and non-federal accounts to pay for these activities under the allocation rules set forth in the regulations. State and local party committees must pay all allocable expenses (the federal and non-federal shares) from the federal account and then may transfer funds from the non-federal account to the federal account to cover the non-federal share of the allocable expenses.

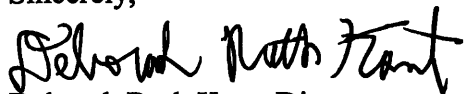
In this case, the Respondents ("the Committee") disclosed additional receipts of \$52,200 in their amended 2006 June Monthly Report, a 95% increase over the financial activity disclosed in the original report. The Committee filed its original report on June 20, 2006 and filed an amended report disclosing the additional receipts on October 19, 2006. The Respondents explained that while conducting an internal audit, they transposed numbers reporting two \$26,100 transactions as \$21,600. Respondents further stated that once they corrected this error, they inadvertently failed to re-key the corrected information into the FEC file software. The increased receipts reflected transfers for allocable expenses from the Committee's non-federal account to its federal account for the non-federal share of these expenses. The Committee apologized for this error and further explained that newly-implemented audit procedures would avoid similar errors in the future prior to the filing of FEC reports.

If after reviewing this letter and the enclosed brochure, which describes the ADR program, Respondents would like this case selected for ADR processing, you need to affirmatively indicate that on the enclosed Commitment to Submit Matter to ADR Program form. **Failure to respond affirmatively within fifteen (15) business days of receipt of this letter will be taken as a notice of disinterest in the program and your case will be dropped from further consideration for ADR.** In that event, your case will be sent to the FEC's Office of General Counsel for further processing, and the likelihood that the Committee will be audited during the next election cycle will increase.

If you decide to participate in the ADR Program, please provide any additional response Respondents would like to make, including proposed stipulations or terms to resolve the matter. **Please also provide some dates and times when you'd be available to discuss this matter in detail on a separate sheet of paper.** I will then review my calendar, so that a time can be scheduled.

This matter has been designated as ADR 383. Please refer to this number in future correspondence with the FEC. If you have any questions about the ADR Program, please contact me directly at the number given below.

Sincerely,



Deborah Ruth Kant, Director
Alternative Dispute Resolution Office
202-694-1661

Commitment to Submit Matter to ADR
Designation of Representative/Counsel

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